

United States Senate

WASHINGTON, DC 20510-4304

December 29, 2010

The Honorable Lisa P. Jackson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Jackson:

The U.S. Environmental Protection Agency's (EPA) announced on December 23, 2010 its plans to impose costly greenhouse gas regulations on refineries which will hurt every American driver, trucker, farmer and flier with higher gasoline, diesel and jet fuel prices. Higher prices passed on to consumers will feel like a new gas tax. I urge you to consider the economic impacts of this announcement and not to impose this burden on all Americans.

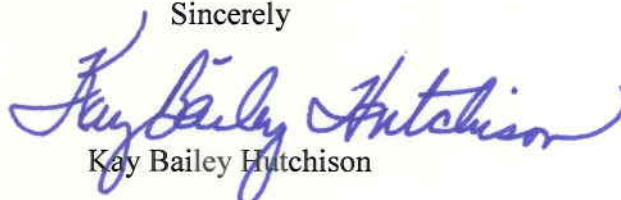
America's families and workers are still struggling to recover from one of the worst recessions in American history. Millions of Americans remain out of work with unemployment stuck near 10 percent. Family budgets already stretched thin face gasoline prices \$.39 higher and diesel fuel \$.52 more expensive per gallon than this time last year. This of course raises expenses for every family and business. All of this limits the ability to create new jobs or keep life affordable for Americans.

Your agency is circumventing the role of Congress. With heavy input from constituents, Congress has already rejected attempts to use cap-and-trade to force fuel prices higher with costly new greenhouse gas mandates on the American people. A report entitled *Climate Change Legislation: A \$3.6 Trillion Gas Tax* authored by myself and Senator Bond calculated the cost of the Waxman-Markey cap-and-trade bill on gasoline, diesel and jet fuel prices using publicly available government figures.

This effort by the administration would be imposing its own backdoor carbon regulations. The EPA previously announced regulations to require not only large industrial facilities, but eventually even hospitals, schools, farms and local small businesses to accept new costly carbon regulations. These will cripple growth and the ability to create new jobs. EPA's recent announcement may target oil refineries with expensive new greenhouse gas performance standards; however, it is consumers who will face higher fuel prices passed on to them in the form of more pain at the pump. Threatened also are refinery workers across America who will face the prospect of losing their good-paying, middle-class supporting jobs, if your regulations curtail operations.

I urge you to forgo these intended plans and allow Congress working with the President to make responsible policy decisions.

Sincerely



Kay Bailey Hutchison